

Housing Review

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THDA Reports Recipient Information for ADDI Program

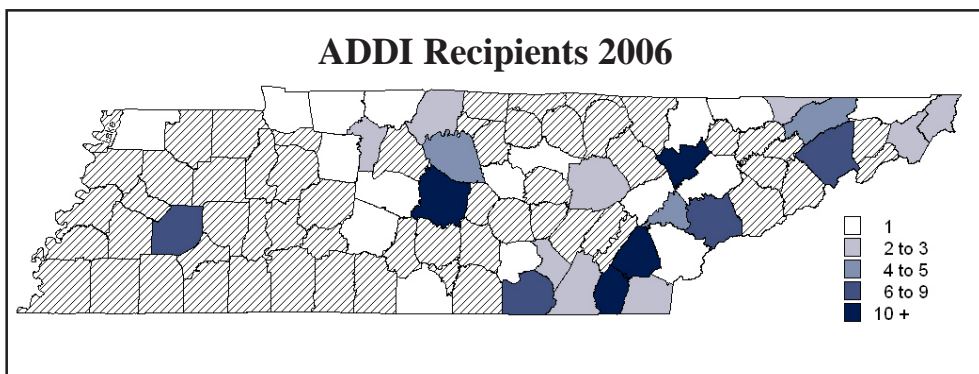
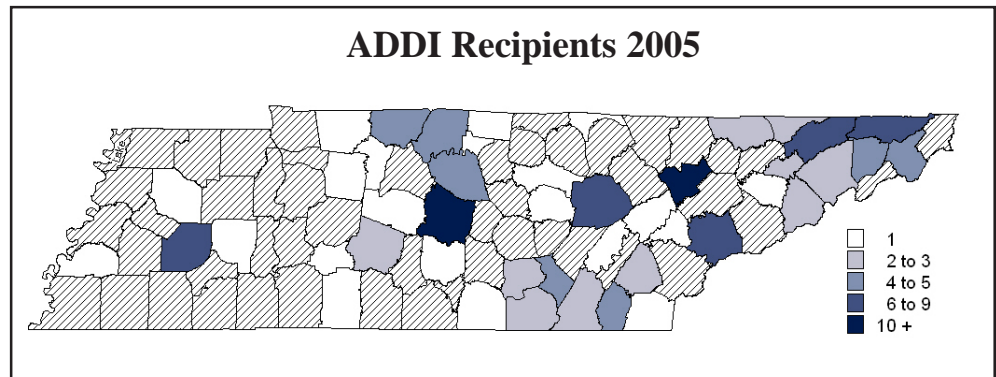
The American Dream Down Payment Initiative (ADDI), which began in September of 2004, is a federally funded down payment assistance program available through local Community Development Programs in larger cities and through Tennessee Housing Development Agency (THDA) in more rural areas of the State.

The ADDI Program assisted 344 families during Fiscal Years 2005 and 2006. The U. S. Department of Housing and Urban Development (HUD) allocated \$1.6 million, with a program start date in September of 2004. By the end of January 2005, under the 2004 program description, all funds had either been allocated or reserved, assisting 156 families. Each family received \$10,000 in assistance. The next year, HUD allocated \$469,604 to fund the ADDI program. THDA added \$530,396 to make \$1 million available for FY 2006. Under this version of the program each family was eligible for \$5,000, and the family was required to provide 1% of the total amount of the loan. In 2006, 188 families received assistance and the funds were available for the entire fiscal year.

Households in 53 counties (see maps) across the state have been beneficiaries of the THDA ADDI program during this period. Seventy percent of the families that received assistance are located in urban areas while 30% are in rural areas. East Tennessee has the most beneficiaries with 53%, followed by Middle Tennessee with 40%, and finally West Tennessee receiving 6%. Rutherford County was the largest beneficiary claiming 24% of the total allocations. Anderson County was the second largest recipient with 11% of the total allocations.

Whom did this program serve? THDA was able to help those who are categorized as having “very low” income, meaning that the recipient’s annual income was 50% or less of the median annual income for their county. We are excited to report that 73% of the families that received these funds had incomes between 51% and 80% of their county’s area median income. To learn more about the ADDI Program, please contact THDA or one of our ADDI partner agencies for further information. A complete

list is available on the THDA web-site at www.tennessee.gov/thda. The current ADDI program available is being funded at \$500,000, with HUD allocating \$234,329, and THDA providing \$265,671. Under the current year’s program all of the funds have either been allocated or reserved, assisting approximately 100 families in purchasing a home. If you would like to learn more about this program, log onto our website at www.tennessee.gov/thda.



THDA Shares HOME Statistics for Fiscal Years 2005 and 2006

The Tennessee Housing Development Agency (THDA) administers the federally-funded HOME program to help meet the housing needs of low- and very-low income individuals and families. Under this program, THDA funds local housing programs designed to promote the production, preservation, and rehabilitation of affordable housing.

HOME funds are awarded through an annual competitive application process to cities, counties and eligible non-profit organizations, including community housing development organizations (CHDOs). Local governments in Tennessee that receive HOME funds directly from the Department of Housing and Urban Development are not eligible to apply for HOME funds from THDA. The communities, or local participating jurisdictions, operating their own HOME programs separately from THDA are: Clarksville, Chattanooga, Jackson, Knoxville, Memphis, Nashville-Davidson County, Knox County, Shelby County and the Northeast Tennessee/Virginia Consortium (the cities of Bristol, Bluff City, Kingsport, Johnson City, Sullivan County and Washington County).

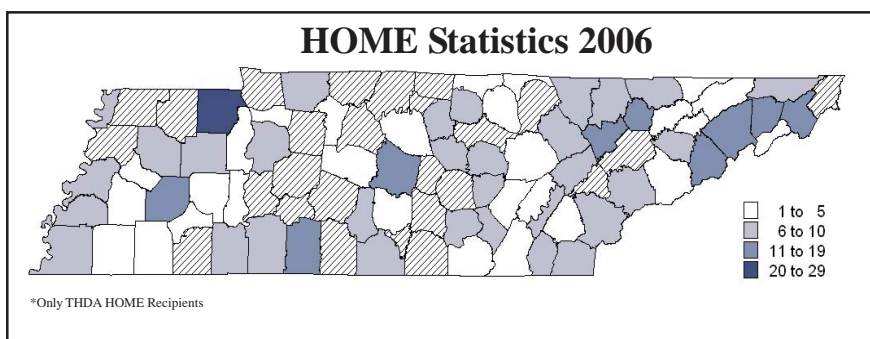
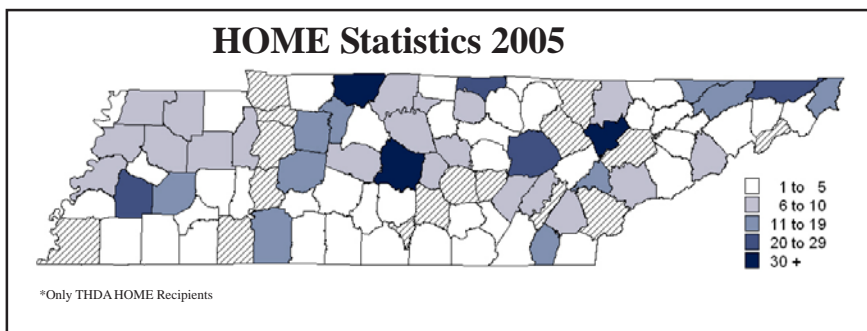
In the Fiscal Years 2005 and 2006, 1,028 families, living in 89 counties (see maps) received assistance through the HOME program. When divided by grand division, East Tennessee has received the largest portion of the funding with 41%, followed by Middle Tennessee with 36%, and finally West Tennessee with 23%. Sixty percent of the families represented in this analysis were from rural areas, with the remaining 40% in the urban.

In addition to the CHDO and Special Needs set-asides, the HOME program now allows funding to groups of counties on a regional basis corresponding to the existing nine development districts. The region with the largest number of recipients during this period of time is East Tennessee with 18%; second largest is the Greater Nashville region with 17%. On a county level Robertson had the largest number of recipient households in FY 2005 with 59. In FY 2006 Henry County was the leader with 26, a significant decrease in the number of recipients in a single county.

In keeping with our goal of serving the lower income citizens of our State, this analysis shows that 61% of the recipients can

be categorized as “very low” income, which means that their annual income is 50% or less of the median income for their county. Thirty-eight percent of the recipients had an income between 50% and 80% of their county’s median. The remaining funding, less than 1%, was used on vacant units.

If you are interested in knowing more about the federally-funded HOME program, please contact THDA or log onto our website at www.tennessee.gov/thda.



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